STATE OF NEW YORK

8046--A

2025-2026 Regular Sessions

IN SENATE

May 15, 2025

Introduced by Sen. BYNOE -- read twice and ordered printed, and when printed to be committed to the Committee on Housing, Construction and Community Development -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the emergency tenant protection act of nineteen seventy-four and the emergency housing rent control law, in relation to audits of individual apartment improvements in rent regulated units

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Subdivision (c) of section 10-b of section 4 of chapter 576 of the laws of 1974, constituting the emergency tenant protection act of nineteen seventy-four, as added by section 6 of part K of chapter 36 of the laws of 2019, is amended to read as follows:

(c) **The division shall establish, for regulated units located in any city having a population of less than one million, or a town or village, for which an emergency has been declared pursuant to section three of this act, an annual inspection and audit process which shall review five percent of individual apartment improvement notifications pursuant to this section and the rules and regulations of the division. Such process shall include individual inspections and document review to ensure that owners complied with all obligations and responsibilities under the law for individual apartment improvements. Inspections shall include in-person confirmation that such improvements have been completed in such way as described in the notification. In the event an audit finds that the recoverable costs claimed by the landlord cannot be substantiated, the resulting overcharge shall be considered to be willful.**

(d) The division shall issue a notice to the landlord and all the tenants sixty days prior to the end of the temporary major capital improvement increase and shall include the initial approved increase and

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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the total amount to be removed from the legal regulated rent inclusive of any increases granted by the applicable rent guidelines board.

§ 2. Subdivision 3 of section 8-a of chapter 274 of the laws of 1946, constituting the emergency housing rent control law is renumbered subdivision 5 and two new subdivisions 3 and 4 are added to read as follows:

3. The division shall establish, for housing accommodations outside of the city of New York, an annual inspection and audit process which shall review five percent of individual apartment improvement notifications pursuant to this section and the rules and regulations of the division. Such process shall include individual inspections and document review to ensure that owners complied with all obligations and responsibilities under the law for individual apartment improvements. Inspections shall include in-person confirmation that such improvements have been completed in such way as described in the notification. In the event an audit finds that the recoverable costs claimed by the landlord cannot be substantiated, the resulting overcharge shall be considered to be willful.

4. If the owner is found to have willfully overcharged a tenant as a result of the conclusion of an audit pursuant to subdivision two or three of this section, the division shall conduct additional audits of all housing accommodations under their ownership in addition to the penalties prescribed by this chapter.

§ 3. Subdivision a of section 12 of section 4 of chapter 576 of the laws of 1974, constituting the emergency tenant protection act of nineteen seventy-four, is amended by adding a new paragraph 1-a to read as follows:

(1-a) If the owner is found to have willfully overcharged a tenant as a result of the conclusion of an audit conducted pursuant to subdivision (b) or (c) of section ten-b of this act, the division shall conduct additional audits of all rent regulated units under their ownership in addition to the penalties prescribed by this section.

§ 4. This act shall take effect immediately.